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ABSTRACT

This paper discusses the benefits of the Safe and Affordable Schools Act (S. 1), a major education-reform bill. S. 1 will make tuition vouchers available to parents to help them transfer their children to safer schools. It is the first program to offer federal assistance to any state or locality interested in designing a school-choice demonstration project for public, private, and religious schools. The plan would also help parents create tax-free higher education savings accounts. The text outlines the three school-choice provisions in S. 1 which would: (1) give children who attend violent schools vouchers to transfer to a safer school of their choice; (2) allow poor children to switch schools if they have been the victims of violent crime in schools; and (3) provide parents with scholarships or vouchers that would enable them to choose a public, private, or religious school for their children. Such choices would offer children a safe school environment, would provide opportunities to improve their academic performance, and would funnel dollars directly into the classroom. S. 1 would also allow government intrusion in local education, and this component of the act is criticized. Ways in which S. 1 would modify the Individuals with Disabilities Education Act are likewise discussed. (Contains 42 references and notes.) (RJM)

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TWO CHEERS FOR S. 1: THE SAFE AND AFFORDABLE SCHOOLS ACT OF 1997

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INTRODUCTION

Congress soon will begin debating the Safe and Affordable Schools Act (S. 1), a major education reform bill sponsored by Senator Paul Coverdell (R-GA). This legislation presents a comprehensive package of reforms that would go a long way toward bringing order, civility, and an environment conducive to learning back into America's classrooms.

What most distinguishes the Safe and Affordable Schools Act from other federal education proposals is its bold provision for school choice. S. 1 is the first serious plan put forth in Congress to help rescue children trapped in drug-infested and violent schools by making tuition vouchers available to parents to help them transfer their children to safer schools. It also is the first to offer federal assistance to any state or locality interested in designing a school choice demonstration project for public, private, and religious schools. Because vouchers and scholarships empower parents to send their children to the schools that best fit their needs, S. 1 also would assure that federal funds invested in these education reforms follow children into the classroom.

The Safe and Affordable Schools Act also includes sound proposals to help families meet the exorbitant costs of higher education. Specifically, it would allow parents to create tax-free higher education savings accounts. Similar to saving in a super-IRA account, parents would be able to contribute to higher education accounts in after-tax dollars and then withdraw the money tax-free when their children enroll in college. With a few minor clarifications, the bill also could allow students to hold various assets, such as prepaid tuition bonds, in these accounts and transfer the assets between accounts without incurring tax penalties. Such a measure would go a long way toward removing the anxiety that American families face when preparing to pay for college.

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Certain aspects of the Coverdell bill run counter to sound education policy. For example, S. 1 would

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establish federal authority over some matters that are best left to the states. Combating violence in local schools and promoting adult literacy are efforts that fall under state and local jurisdiction, and including them in federal legislation goes far beyond the scope of the Washington's proper role in education.

Overall, however, the Safe and Affordable Schools Act offers an excellent opportunity to improve America's failing educational system. It empowers parents, who are best equipped to select a school of choice for their children, and it provides them with an opportunity to invest tax-free in their children's higher education. To improve the strong education opportunities in S.1, Congress should:

- **Enforce** the school choice provisions;
- **Enhance** the higher education provisions;
- **Reserve** the school safety improvement guidelines for the state and local school boards; and
- **Block grant** all funding for federal adult literacy programs directly to community organizations that have been successful in teaching adults to read.

HOW SCHOOL CHOICE CAN REDUCE FEAR AND PROMOTE LEARNING

The Safe and Drug-Free Schools Act—enacted in 1986 to provide safe schools for all students—has shown few results that justify its $556 million annual operating cost.[1] Like other well-intentioned federal programs, it offers a one-size-fits-all approach to solving a complex local problem. A 1993 report by the American Psychological Association acknowledged that "even youth who are not direct victims of violence may be victimized by the chronic presence of violence in their communities."[2] The National Center for Education Statistics reported in 1995 that students who fear for their safety at school may encounter a very different learning environment than students who have no reason to worry about becoming victims of crime.[3] Children cannot learn when they live in fear.

S. 1's strongest provisions seek to empower parents rather than the government bureaucrats whose programs have not been effective in making education safe and affordable for all children. Under the law's school choice provisions, the federal government would be required to expand the pool of educational options available. The bill specifies that educational certificates are aids to parents, not means for particular schools; therefore, it would offer vouchers to parents that would allow them to send their children to safer schools. It also would ensure that federal dollars follow students into their classrooms.

The Three School Choice Provisions in S. 1

S. 1 would establish effective school choice through the following three provisions:

- **The Student Opportunity and Safety Act (Title I, Section 1).** This section would give children who attend violent schools vouchers to transfer to a safer school of their choice. It allocates $50 million for FY 1998 (and, as necessary, in subsequent years through 2002) for a five-year school choice demonstration project involving 20 to 30 school districts across the country. No more than 15 percent of the funds could be used for administration of the plan. Thus, this section would assure that federal dollars are spent directly to educate students in the classroom. The U.S. Secretary of Education would be responsible for awarding the grants to a designated education entity (like a state education agency or

a school district) for each demonstration project.

These demonstration projects would provide the children of the poor with vouchers to attend a safe public, private, charter, or religious school for at least three academic years. Eligible children would include any whose family income is no more than 185 percent of the poverty line. Currently, these children are condemned by the education establishment to unsafe schools with high rates of criminal, drug, and disciplinary problems. Under S. 1, priority would be given to applicants in districts with existing school choice programs that involve public or private schools[4] and programs authorized by federal law.[5] For purposes of the voucher, any school with high rates of expulsions or suspensions, delinquent youth, referrals to juvenile court, victimization of teachers or students, drug violations, weapons violations, youth gang activity, or property crimes would be deemed unsafe.

- **The Pupil Safety and Family Choice Act (Title I, Section 2, Chapter I).** This section would amend the Elementary and Secondary Education Act (ESEA) of 1965 to allow poor children to switch schools if they have been the victims of violent crime in school. It also authorizes a local education agency to use federal funds to pay the costs of sending these students to a school selected by their parents, and authorizes the state or school district to transfer any non-federal public funds allocated for these students to the school of their choice. In short, the bill would allow the use of existing federal funds to establish school choice programs for the victims of violent crime in the schools.

- **The State Education Flexibility Act (Title II).** This title amends the ESEA's Student Improvement Block Grants to provide parents with scholarships or vouchers that would enable them to choose a public, private, or religious school for their children. This section also promotes the creation of "same gender schools" and encourages projects that reward teachers, administrators, and schools for improving students' academic performance.

These three sections of S. 1 address public education's chief problems: safety, discipline, and poor academic performance. They not only offer parents a chance to choose schools that would educate their children better, but also offer schools and districts more flexibility to experiment with programs that improve school performance.

State and local school boards across the country already use federal tax dollars to implement a variety of public school choice programs.[6] Although effective, these programs have not given parents the range of choices they need—choices that would allow them to protect their children from unsafe public schools and improve their children's academic achievement.

S. 1's most revolutionary component is Title II, the State Education Flexibility Act. This title prohibits federal officials from interfering with local efforts to implement school choice programs. It also amends the Elementary and Secondary Education Act to give states and localities flexibility to design school choice approaches that address their specific needs. For example, a state might choose to implement a universal voucher program that would benefit all children regardless of socioeconomic background.

The remaining components of the State Education Flexibility Act—creating same-gender schools and rewarding teachers—increase a state's flexibility to utilize federal dollars to experiment with reforms that have been shown to work. Same-gender schools have a proven record of success, and the section's "merit pay" provisions bypass the teachers unions to reward good teachers directly while encouraging competition among teachers to advance their students' academic achievement.

Why S. 1 Would Improve Education

The school choice proposals in S.1 would help make good education safe and affordable for children for several reasons:

- **School choice would offer children a safe school environment and opportunities to improve their academic performance.** Inner-city private, parochial, and charter schools invariably offer safer learning environments for children than do the public schools. They often have a "no nonsense" approach to discipline and zero tolerance for drugs and violence.[7] Students who attend private schools feel safer than students who attend the public schools.[8] In most instances, these private and parochial schools are in the same neighborhoods as the afflicted public schools, but they offer a quality education at a cheaper price.[9]

  The December 1994 fourth-year report of the Milwaukee Parental Choice Program—a publicly sponsored school choice program—revealed that 74 percent of the parents who chose to use vouchers did so because of the disciplinary guidelines and general atmosphere of private schools.[10] Interestingly, the report also noted that private schools in the choice program were more willing to solve disciplinary problems by working with the students' families, and resorted to expulsion only after repeated attempts at solving the problem internally.[11]

  A similar pattern is evident in private voucher programs.[12] The majority of the students in Milwaukee's Parents Acquiring Values in Education (PAVE) program—a private program that provides vouchers to low-income students—come from dangerous schools. PAVE's 1995 third-year report showed that 82 percent of the parents who took advantage of PAVE's scholarship program considered "safety" the chief reason for transferring their children to a private school.[13] Another private scholarship program in Texas—CEO (Children's Educational Opportunity) America—reported in 1995 that 81 percent of the parents who chose to take advantage of the private scholarships cited discipline as a very important factor affecting their decision.[14]

  Recent studies of the Milwaukee choice experiment show that school choice programs benefit minority inner-city students the most.[15] The first, conducted by Paul Peterson of Harvard University's John F. Kennedy School of Government and Jay Greene of the Center for Public Policy at the University of Houston,[16] demonstrated for the first time that students participating in the Milwaukee experiment made major academic strides compared with a control group in Milwaukee's public schools: Reading scores of choice students in their third and fourth years, on average, were 3 and 5 percentile points higher, respectively, than those of comparable low-income public school students; math scores, on average, were 5 and 12 percentile points higher, respectively. After only three years, the gap in test scores between whites and minorities narrowed by 33 percent to 50 percent. The second study, conducted by Cecilia Rouse[17] of Princeton University, found that the Milwaukee experiment significantly increased the mathematical achievement of participating students. All three researchers called for more school choice experiments in order to measure a larger sample of students.[18]

  Studies also show that Catholic schools do a better job of educating children.[19] The most important work demonstrating the strong effect of Catholic schooling, particularly for poor black

children, was done by the late University of Chicago sociologist James Coleman. Coleman's landmark study shows that Catholic school sophomores scored 10 percent higher in science, 12 percent higher in civics, and 17 percent to 21 percent higher in mathematics, reading, and vocabulary than their public school counterparts. It also showed that a child is more likely to attend school with a child of another race in a private school than in a public one. In addition, the drop-out rates are significantly lower in private schools than in public schools.[20] A more recent study by University of Chicago economist Derek Neal found that the probability that inner-city students would graduate from high school increased from 62 percent to at least 88 percent when those students were placed in a Catholic high school.[21]

As seen in numerous private scholarship programs[22] and in the Milwaukee choice program,[23] low-income inner-city children benefit from school choice.

- **Dollars would go directly into the classroom.** Even though the Elementary and Secondary Education Act stipulates that the majority of its funds will be spent on programs to benefit needy or disadvantaged children, most of the money allocated—over $2 billion each year—is spent on programs and administrative costs that do not directly involve the local school districts.[24] S. 1 would funnel federal money directly to state or local agencies, which then would direct the dollars to parents, who then would use the money on schools of choice for their children. For the first time, congressional efforts would allow federal dollars to flow by the most direct route to children in the classrooms.
- **School choice saves the public schools money.** The costs per pupil of sending a child to a private or parochial school are lower than the costs per pupil of sending them to a public school. According to a study on the costs of private education conducted by the Washington-based Cato Institute,[25] 67 percent of all private elementary and secondary schools charge $2,500 or less in tuition, while the average tuition in private schools is only $3,116. This is half the national average cost of $6,857 to educate a student in public school. Public schools involved in the program could use the extra space and money to educate their remaining students, to manage their classrooms more effectively, and to create a better learning environment by taking firmer action against unruly students. Smaller classrooms usually are easier to manage. Local school boards around the country already have taken advantage of choice as a cost-saving mechanism.[26]

HOW S. 1 WOULD HELP FAMILIES PAY FOR HIGHER EDUCATION

Title III of the Safe and Affordable Schools Act includes proposals to address the increasing cost of higher education in the United States. Since 1980, the cost of public education has increased 234 percent, while the general rate of inflation and average household income have increased only about 80 percent. The value of a college degree has increased significantly as well: In 1980, a college graduate earned about 43 percent more per hour than a person with a high school degree. Today, that advantage is greater than 73 percent.[27] Thus, while families face the anxiety of uncertain tuition prices and find it increasingly difficult to pay for college, the cost of not going to college makes these tremendous sacrifices difficult to avoid.[28]

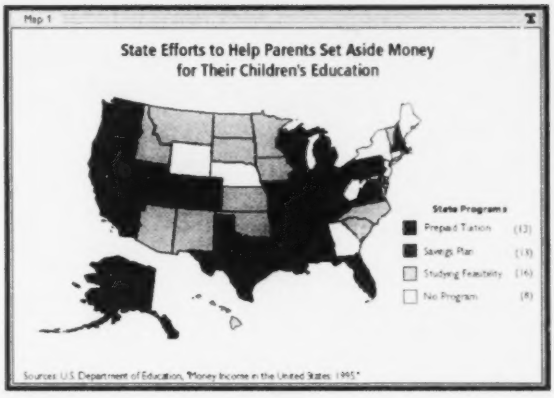
Map 1
State Efforts to Help Parents Set Aside Money
for Their Children's Education
State Programs
Prepaid Tuition (12)
Savings Plan (13)
Studying Feasibility (16)
No Program (9)
Source: U.S. Department of Education, "Money Income in the United States: 1995"

Table 1: State Efforts to Help Parents Set Aside Money for their Children's Education

Improving S. 1's "Bob Dole Savings Accounts" Provisions

Title III specifically creates tax-free higher education savings accounts ("Bob Dole Savings Accounts"). With a few minor improvements, the approach adopted in this title would give a financial break to parents and students who work hard and save. Specifically, Title III would:

- **Support state-sponsored initiatives.** Title III would make earnings in state-sponsored tuition savings plans completely tax-free. Today, 42 states have implemented some form of tax-favored education savings plan or are studying the feasibility of such a program.[29] These programs range from simple savings trust funds that allow parents to save any amount they choose without paying state income taxes on the earnings to complex prepaid tuition plans that allow parents to purchase a unit of education (say, a semester at a school) within the state at a specific date in the future. As Peter Mezereas, Executive Director of the Massachusetts prepaid tuition plan, explains, "These plans are a way to lock in tomorrow's tuition at today's rates."[30]

  The state plans are a wonderful example of federalism at work because each is designed differently, depending on the state's demographic composition and the institutional structure of its higher education system. In drafting federal legislation, Congress should give the existing state savings plans maximum latitude as they continue to refine their programs and as other states establish new ones. The best way for Congress to help the states is to make the build-up of earnings in state-sponsored tuition savings plans completely tax-free, as S. 1 proposes. This would benefit directly the families and students who invest in college education through state-sponsored savings plans.

- **Establish tax-free savings accounts.** Title III of S. 1 permits parents and students to establish tax-free higher education savings accounts. Similar to a super-IRA, contributions to a higher education savings account would be made in after-tax dollars and withdrawn by the student completely tax-free. Most important, each account could include several different investment vehicles, just as any specific IRA may include holdings in several different mutual funds. This is important to families because it allows parents flexibility in diversifying their college savings methods while maintaining the tax-free earnings on the account as a whole.

- **Flexible funding.** Title III could be modified to allow individual savings vehicles to be transferable between two higher education savings accounts. This would give families the freedom to tailor savings plans to meet their changing needs. For example, a private higher education bond market may develop. One family may purchase a prepaid tuition bond to Wilmington College in Delaware, and another a prepaid tuition bond to Columbia University in New York. If a student in New York decides to attend Wilmington College in Delaware and a student in Delaware decides to attend Columbia, these families should be able to trade individual assets without losing the tax-free status of these assets. Families and students who have worked hard and saved should not be locked into a specific school or school system.

  In such a market, independent investors or schools would offer bonds denominated in education units (for example, semesters or credit hours) at particular schools. Parents could purchase bonds for the year in which their child was expected to enter college. There also is an additional possibility: A parent could buy a "call" option at a small price for the right to buy a bond at a later time at a fixed price. That "time" might occur when the family expected to bring in more income, or when the parents planned to sell their house or become "empty nesters." As is done in other futures markets, parents could lock in a future price without paying for the product today.

  Not only would this plan assure parents that their savings were sufficient to pay for the educational needs of their children at a particular college in the future, but if the family's means or desires changed, it also would allow a family the flexibility to adjust to these changing needs.

  If schools themselves issued such bonds, which is likely, they also would benefit. Issuing these bonds would help schools raise money to build additional classrooms, upgrade computer systems, or pay for any number of other capital-intensive projects. This would be especially attractive to schools that otherwise would have to borrow money from a bank or solicit private donations. In addition, bond
  holders would represent a pool of potential future students.

  A higher education bond market is only one possibility. If Congress and the President were to extend tax-free status to a broad class of savings vehicles and allow the transferability of these assets, the possibilities available to students and parents would be limitless. In fact, private savings instruments have developed already. For example, the College Savings Bank of Princeton, New Jersey, offers the CollegeSure® Certificate of Deposit, a federally insured savings vehicle with a rate of return that is tied to an index of tuition inflation at 500 public and private colleges and universities.[31] The CollegeSure® CD is more flexible than state plans because the savings can be used at any school in the United States and can be applied toward tuition, room, board, or any other cost associated with a student's education. Because the CD is indexed, the purchaser knows the investment will cover average increases in college costs--although it does not lock in a specific amount of education at any particular institution.

Improving S. 1's Other Higher Education Proposals

To improve the higher education provisions in S. 1, Congress should remove the restriction in Title III that allows only cash contributions to be made to a student's tax-free higher education savings account. Congress should consider, for example, the predicament of grandparents who bought stock in a company years ago and now want to donate this stock to their grandchildren's education account. Such charity should not be penalized.

Congress also should remove the annual $1,000 limit placed on contributions to each individual tax-free higher education savings account, if only because this would allow for the creation of additional scholarships. For example, a local Kiwanis Club might like to create a scholarship for the community's most active service-oriented youngster by purchasing a prepaid tuition contract to a local college. Such a scholarship (the value of which probably would be greater than $1,000) would be transferred to the winner each year. Again, Congress should not penalize such philanthropy.

Finally, S. 1 should include specific language to grant private schools and investors who want to establish prepaid tuition plans the same flexibility afforded to the states. State-based savings plans are so popular that many private schools find it difficult to compete. They are willing to establish similar prepaid plans but lack the equal footing necessary to do so. Congress and the President should make the build-up of earnings on all savings plans—including those instituted by private colleges, associations, and investors—tax-free.

These are a few of the possible innovations that may develop in the private marketplace to help parents and students meet the tremendous costs of college education. The key is to make all savings for higher education tax-free, and therefore extend the maximum amount of freedom to the families which, with more than 19 million children, work hard and save for their children's college costs (see Table 1 for a state-by-state analysis).

Title III, however, also includes one provision that would allow students to deduct from their taxable income the interest payments they make on outstanding student loans. While this may be extremely popular with students, it is bad tax policy. Government programs and subsidies already encourage the debt financing of higher education, especially compared with savings. In fact, students and families have incurred more debt thus far in the 1990s than during the 1960s, 1970s, and 1980s combined.[32] Allowing the deduction of all interest on student loans would only fuel this conflagration of debt. Any policy enacted by Congress should encourage savings for college, not more and more indebtedness.

HOW S. 1 WOULD ALLOW GOVERNMENT INTRUSION IN LOCAL EDUCATION

By trying to solve the problems of local school violence and adult illiteracy, S. 1 proposes some federal solutions in areas that are best left to state and local authorities. Some of the congressional guidelines outlined in these sections duplicate efforts already under way in many school districts across the United States. Congress should refrain from intruding into state crime-fighting activities and instead help the states fight crime by letting them utilize more of the money that their residents have paid in taxes.[33] Although Congress will be tempted to try to solve these local problems, such attempts historically have failed. As a matter of sound policy, Congress should consider dropping the provisions in the Safe and Affordable Schools Act that prescribe and authorize specific funding remedies at the federal level. For example:

- **Victim Assistance Programs (Title I, Section B, Chapter II).** This section would amend the Victims of Crime Act of 1984 to create several new federal programs aimed at protecting and compensating students who are victims of, or witnesses to, elementary and secondary school violence regardless of whether the incident was referred to law enforcement authorities. Department of Justice funds would be appropriated to help local education agencies develop demonstration projects that establish and operate programs for victims and witnesses of school violence.

  Helping students who are victimized by, or witnesses to, school violence is commendable, but

that does not make it an appropriate federal activity. It is a task that should be left to state and local officials because they are the ones who understand their communities' needs and problems best.

- **Innovative Programs to Improve Unsafe Schools (Title I, Section B, Chapter III).** S. 1 would give federal funds to programs that provide for the suspension, delay, or restriction of driving privileges of persons under age 18 with a conviction, an adjudication in a juvenile proceeding, or a finding in a school disciplinary proceeding involving illegal drugs. The bill authorizes "such sums as may be necessary" to carry out the program. Federal aid would go to a state or school board, with priority given to applications for programs that provide parents and teachers with reports of crime and drug incidents occurring on campus; suspend, delay, or restrict driving privileges of youth found to have committed a drug offense; link local education agencies with community-based mentoring programs for at-risk students; utilize former military personnel as teachers; and enhance school security through such measures as metal detectors, increased police patrols, and canine patrols.

  These measures should be initiated by state and local authorities closest to the problems, depending upon the circumstances, not by Members of Congress or Washington bureaucrats.

- **Notification of Juvenile Justice and Law Enforcement Purposes (Title I, Section B, Chapter IV).** As of 1996, the U.S. Department of Education released new federal guidelines to clarify how schools can coordinate with law enforcement agencies to alleviate violence in the schools. This section of S.1 directs the Secretary of Education to prepare and distribute to state and local education agencies a "written notice" of federal laws that allow the disclosure of a student's education records to state and local officials for juvenile justice and law enforcement purposes. It proposes easing the currently strict limits placed on the release of
  student information by the schools in the interests of privacy protection.

  Schools do not need to be told by Congress or reminded by the Department of Education that they can work with law enforcement agencies. A new federal mandate to guarantee such cooperation between the police force and the schools simply creates more paperwork. It will force schools to contact the police even for minor problems that could be resolved by teachers and their students' families. Moreover, the relationship between local police and local schools should be decided by local governments.

  The language of the sections on violence in schools is understandable. According to a 1996 survey of adults by *Phi Delta Kappan*, for instance, 81 percent favored employing security guards in schools, 75 percent favored using trained dogs to sniff out drugs, and 63 percent favored administering random drug tests. These programs, however, are best dealt with by state and local officials who are accountable for their success. These proposals are unnecessary, at times duplicative, and intrusive. Federal funding should not be wasted on creating incentives for schools to apply common sense.

  The root causes and conditions of crime are diverse. What will work in New York City is likely to be very different from what will work in Mobile, Alabama. The provisions of S. 1 that address crime may be designed to give states more flexibility, but they also risk restricting the power of teachers and administrators to discipline their students. Some administrators may prefer working out a problem with a student's parents. Federal guidelines should never intrude on these relationships; schools should have the freedom to discipline students on a case-by-case basis.[34]

One way to fight crime in the schools would be for state legislatures to allow schools more flexibility to implement clear and consistent disciplinary policies. According to a 1994 National School Boards Association report on 720 affiliate school districts, 78 percent of America's local schools already suspend students; 76 percent use a student conduct or discipline code; 73 percent collaborate with other agencies; 71 percent use the school board's policy; 66 percent use alternative programs at school; and 61 percent use conflict resolution, mediation training, or peer mediation.[35]

States also can encourage schools to send troublemakers to special schools. An August 1993 survey of children in sixth through 12th grades found that 42 percent thought the single best safety improvement in their school would be to send "bad kids" to special schools;[36] 63 percent said they would learn more if they felt safer.[37] Currently, local education administrators have broad authority over how and whether students who exhibit at-risk behaviors are served outside the regular classroom. At least seven states (Arizona, Florida, Minnesota, New Mexico, Oregon, Texas, and Wisconsin) have formal legislative programs allowing public schools to contract with nonpublic schools to serve these students.[38] Districts in ten states (California, Colorado, Georgia, Illinois, Indiana, Maryland, Massachusetts, New Jersey, Tennessee, and Virginia) contract with private entities to serve at-risk youth.[39]

Promoting such programs at the local level is a good way to solve a wide range of problems, especially since many at-risk students may not qualify for special education. Moreover, alternative education for these children often is available at a cost equal to or lower than the amount the referring school district spends for regular education.[40]

- **Adult Education and Family Literacy (Title V).** This section amends the Adult Education Act (AEA) by authorizing $400 million for FY 1998, and the necessary funds through FY 2003, to enable eligible agencies to identify and develop adult education programs. It would create (1) a National Institute for Literacy to improve the quality and accountability of adult basic skills and literacy programs and award fellowships to those pursuing a career in adult education or literacy; (2) Demonstration Programs to Promote Literacy by providing in-service and pre-service training for teachers and a training opportunity for individuals interested in obtaining "language acquisition and systemic phonics" skills to improve their own literacy or that of others; and (3) a National Commission on Literacy to examine such matters as the requirements for prospective reading teachers studying at colleges of education, the available testing instruments, experimentally unverified teaching methods, and related programs to promote literacy in the United States.

  None of the programs outlined in this section, however, teaches adults how to read. Congress therefore should consider block granting current adult literacy programs to the states so that they can disseminate the funds to community organizations that have shown the ability to do so. State and local officials should encourage private volunteers to implement improved reading programs. Businesses should be encouraged to contribute as well, since they will benefit most from a better educated workforce.

HOW S. 1 WOULD MODIFY THE INDIVIDUALS WITH DISABILITIES EDUCATION ACT (IDEA)

Title IV of S. 1 extends the authorization of appropriations for the education of children with disabilities—

Part B of the Individuals with Disabilities Education Act (IDEA)—by $1 billion for FY 1998 and $1.5 billion for each subsequent year. IDEA originally was enacted as the Education of All Handicapped Children Act in 1975, when fewer than half the states were providing education for students with disabilities. It was prompted by two U.S. Supreme Court decisions that established the constitutional responsibilities of states to ensure that students with disabilities received an education. Both the original legislation and subsequent versions included a commitment that Congress would fund up to 40 percent of the "excess cost" of special education (the amount in excess of the regular per-pupil expenditure). S. 1 would fulfill that promise over the next seven years, in addition to fulfilling the 20-year-old promise to fund the federal share of IDEA in full.

IDEA should focus on educational results for students while adjusting financial mechanisms to make them more equitable among states while retaining an appropriate federal role. It also should send more funds directly to local schools, increase accountability, strengthen parental involvement, and reduce paperwork and bureaucracy. Congress should fund IDEA only after it guarantees the above remedies, especially in the realm of parental involvement. Otherwise, all that will be accomplished by spending more money at the federal level will be to create another layer of distant of federal bureaucracy and encourage the education establishment to label children as disabled and circumvent parental rights.

CONCLUSION

The Safe and Affordable Schools Act offers the prospect of true education reform. It provides parents—especially low-income parents who lack the financial capability to move their families to safer neighborhoods—with opportunities to place their children in safe and effective schools. It also includes a sound proposal for helping parents afford college education for their children. At the same time, however, certain aspects of S. 1 can be improved. Specifically, Congress should:

- **Enforce the school choice provisions.** S. 1's Student Opportunity and Safety Act, Pupil Safety and Family Choice Act, and State Education Flexibility Act would help parents to select schools that offer their children a better education and safer learning environment. This not only would empower parents, but also would give public schools the opportunity to use the extra space and money that would result to improve safety, academic achievement, and accountability.

- **Enhance the higher education provisions.** S. 1 is a positive step toward making college affordable and begins the process of rewarding parents and students who save for college education. It would be strengthened, however, if neither the amount nor the type of contribution that can be made to tax-free higher education savings accounts is limited. Furthermore, Congress and the President should allow parents and students to transfer different savings vehicles into and out of their accounts.

- **Reserve the school safety improvement guidelines for state and local school boards.** Although S. 1 recognizes that states and localities need flexibility in fighting crime on school grounds, it fails to dismantle the federal stranglehold on state and local crime-fighting measures. Proposals to improve unsafe schools are best left in the hands of state and local authorities. The states, not the federal government, are best equipped to provide schools with the flexibility they need to fight violence.

- **Block grant all funding for federal adult literacy programs directly to community organizations that have been successful in teaching adults to read.** None of the provisions listed in S. 1's Adult Education and Family Literacy Act will teach adults to read. Funding and implementing demonstration projects at the federal level to study adult illiteracy will not achieve the intended results.

Too many of America's public schools no longer represent safe environments for learning. The National

Crime Victimization Survey, a report compiled by the Department of Justice, shows that an estimated 2.7 million violent crimes take place annually either at or near school. One in four public school teachers rated physical conflict among students as a serious or moderately serious problem in their schools.[41]

The Safe and Affordable Schools Act offers America a comprehensive program of education reform that focuses on safety and discipline—issues of governance and standards—in America's public schools. By focusing on dangerous schools, S. 1 targets the unacceptable status quo and challenges the nation to fix it. The bill's school choice provisions would enable parents to use vouchers to save their children from failing educational systems and would encourage the states to experiment with school choice programs. School choice empowers parents; saves money; and, most important, raises students' academic achievements. This is especially crucial for inner-city students from low-income families who have been caught in violent, drug-infested, and academically failing schools. Saving a child from this environment should not take a student's lifetime.

Through choice, S. 1 would offer parents alternatives to unsafe public schools and give public schools the breathing space they desperately need to address the root causes of violence and crime in the classroom. To do this, schools do not need new or expanded federal programs or demonstration projects like those proposed in S. 1. They simply need more flexibility to crack down on crime and disciplinary problems early[42] and to send troublemakers to special schools. Several states and school districts already have formal programs to allow the public schools to contract with nonpublic schools to serve these students.

The Safe and Affordable Schools Act also would help families meet the tremendous costs of higher education. By making savings for college tax-free, it would eliminate the tax penalties that families and students must endure by saving for college. Encouraging state and private prepaid tuition plans and allowing transferability would go a long way toward removing the anxiety families experience in the face of ever-increasing tuition costs.

Finally, Congress should consider block granting S. 1's adult literacy provisions to the states so that they can direct these funds to local programs that have been designed specifically to teach adults how to read.

Endnotes

[1] Scott A. Hodge, ed., *Balancing America's Budget: Ending the Era of Big Government* (Washington, D.C.: The Heritage Foundation, 1997).

[2] American Psychological Association, "Violence and Youth: Psychology's Response," Summary Report of the American Psychological Association Commission on Violence and Youth, Vol. 1, 1993, p. 42.

[3] Mary Jo Nolin, Elizabeth Davies, and Kathryn Chandler, "Student Victimization at School," U.S. Department of Education, Office of Educational Research and Improvement, National Center for Education Statistics, NCES 95-204, October 1995.

[4] Eighteen states currently allow parents to select from any public school of their choice in the state; 11 allow some type of public school choice within some or all of their school districts. Public school choice allows parents to send their children to any public school within a defined area. School choice involving private schools is allowed in Maine, Milwaukee, Wisconsin, and Vermont; a program in Cleveland, Ohio, was struck down by an Ohio Court of Appeals decision on May 1, 1997.

[5] If Congress passes a school choice proposal for the District of Columbia before passing S. 1, D.C. would qualify.

[6] Public school choice programs include the following: (1) The Magnet Schools Assistance program, authorized by Title V, Part A, of the Elementary and Secondary Education Act (ESEA), allows for the formation of magnet schools in local education agencies that are implementing school desegregation by offering parental choice. (2) The Public Charter Schools program, authorized by Title X, Part C, of the ESEA, provides federal assistance for implementation of state charter schools. In exchange for exemption from certain state and local regulations, these schools are held accountable for boosting students' academic achievement and other agreed-upon objectives. (3) State systemic reform grants under Title III of Goals 2000 (the Educate America Act) authorize state educational agencies to use funds available for state-level activities to promote public school choice, including magnet and charter schools. (4) Title I of the ESEA, dealing with education for the disadvantaged, allows schools with 25 percent low-income enrollment to participate in Title I if they are involved in desegregation programs, and permits local education agencies to use Title I funding to establish choice programs for public schools with Title I programs.

[7] Nina Shokraii, "Raising the Bar," *Policy Review*, March/April 1996; see also Nina Shokraii, "Free at Last: Black America Signs up for School Choice," *Policy Review*, November/December 1996.

[8] A national survey of high school students conducted by Public Agenda from October 29, 1996, to November 20, 1996, found that 48 percent of public school students said drugs and violence were a serious problem in their schools, compared with 22 percent of private school students.

[9] Black independent schools and Catholic schools are often housed near public schools and offer superior education at a lower premium. If school choice succeeds, a surge is expected in the number of such schools within each neighborhood. For example, in Cleveland, businessman David Brennan started three schools to meet the demand of parents who had received vouchers for their children.

[10] John F. Witte, Christopher A. Thorn, Kim M. Pritchard, and Michele Clairbourn, *Fourth-Year Report: Milwaukee Parental Choice Program*, University of Wisconsin-Madison, Department of Political Science, and Robert La Follette Institute of Public Affairs, December 1994.

[11] Telephone interview with John Witte, April 17, 1997.

[12] Terry M. Moe, ed., *Private Vouchers* (Stanford, Cal.: Hoover Institution Press, 1995).

[13] *Ibid.* See also S. White, P. Maier, and C. Cramer, *Partners Advancing Values in Education (PAVE): Fourth-Year Report of the Scholarship Program*, University of Milwaukee, Urban Research Center, 1996.

[14] *Private Vouchers*, p. 90.

[15] See Shokraii, "Free at Last"; Denis P. Doyle, "The Social Consequences of Choice: Why It Matters Where Poor Children Go to School," Heritage Foundation *Backgrounder* No. 1088, July 25, 1996; and Dorothy Hanks, "How Milwaukee's Choice Program Helps Poor Children Succeed in School," Heritage Foundation *F.Y.I.* No. 120, September 23, 1996.

[16] Paul E. Peterson and Jay P. Greene, "The Effectiveness of School Choice in Milwaukee: A Secondary Analysis of Data from the Program's Evaluation," presented at Panel on the Political Analysis of Urban School Systems, American Political Science Association, San Francisco, Cal., August-September 1996.

[17] Cecilia E. Rouse, "Private School Vouchers and Student Achievement: An Evaluation of the Milwaukee Parental Choice Program," *Executive Summary*, Princeton University Labor Lunch and National Bureau of Economic Research Program on Children Conference, December 1996.

[18] See also Nina H. Shokraii, "School Choice Programs: What's Happening in the States," Heritage Foundation *F.Y.I.* No. 138, April 21, 1997. Further information on school choice is available at The Heritage Foundation's school choice Web site: *http://www.heritage.org/heritage/schools*.

[19] See Nina H. Shokraii, "The Benefits of Parochial School Education for Inner-City Children," a forthcoming Heritage Foundation publication.

[20] "The Social Consequences of Choice."

[21] Derek Neal, "The Effect of Catholic Secondary Schooling on Educational Attainment," National Bureau of Economic Research *Working Paper* No. 5353, November 1995.

[22] Tamara Henry, "Private sector helps needy kids go to private school," *USA Today*, August 28, 1996.

[23] See Hanks, "How Milwaukee's Choice Program Helps Poor Children Succeed."

[24] Christine Olson, "U.S. Department of Education Financing of Elementary and Secondary Education: Where the Money Goes," Heritage Foundation *F.Y.I.* No. 126, December 30, 1996.

[25] David Boaz and R. Morris Barrett, "What Would a School Voucher Buy?" Cato Institute *Briefing Paper* No. 25, March 26, 1996.

[26] In Lake Travis and Houston, Texas, school boards recently voted to include private schools in the choices available to parents. Last fall, the Lake Travis School Board voted to offer parents vouchers so their children could attend a school of their choice; the Houston School Board voted to contract with private schools.

[27] U.S. General Accounting Office, *Higher Education: Tuition Increasing Faster Than Household Income and Public College Costs*, GAO/HEHS-96-154, August 1996, p. 5.

[28] For an overview of the issues surrounding college financing, see Stuart M. Butler and John S. Barry, "Taking the Anxiety Out of Paying for College: A Bond Market for Higher Education," Heritage Foundation *Backgrounder* No. 1101, January 31, 1997.

[29] College Savings Plans Network, National Association of State Treasurers, *Special Report on State College Savings Plans* (Lexington, Ky.: Council of State Governments, 1996).

[30] Interview with the authors of the Massachusetts prepaid tuition plan, November 12, 1996.

[31] The Independent College 500 Index is an average of the cost for a year's tuition, fees, and room and board at 500 private universities and colleges throughout the United States. For more information on the CollegeSure® savings plan, see College Savings Bank information brochure, "CollegeSure® Certificate of Deposit: The Guaranteed Way to Save for College," 1996.

[32] "College Debt and the American Family," Education Resources Institute and Institute for Higher Education Policy, September 1995, p. 6.

[33] See Stuart M. Butler and Kim R. Holmes, eds., *Issues 1996, The Candidate's Briefing Book* (Washington, D.C.: The Heritage Foundation, 1996). See also Edwin Meese III and Robert E. Moffit, eds., *Making America Safer: What Citizens and Their State and Local Officials Can Do to Combat Crime* (Washington, D.C.: The Heritage Foundation, 1997).

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[35] National School Boards Association, "Violence in the Schools: How America's School Boards Are Safeguarding Your Children," *Best Practice Series*, 1994.

[36] Leslie Annually, "Safety in Schools: It Just Keeps Getting Worse," *USA Weekend*, August 13-15, 1993, pp. 4-6.

[37] *Ibid.*

[38] Janet Beales, "Meeting the Challenge: How the Private Sector Services Difficult to Educate Students," Reason Foundation *Policy Study* No. 212, August 1996.

[39] *Ibid.*

[40] *Ibid.*

[41] W. Mansfield, D. Alexander, and E. Farris, "Fast Response Survey System, Teacher Survey on Title, Disciplined, and Drug-Free Schools, FRSS42," U.S. Department of Education, National Center for Education Statistics, NCES 91-091, 1991.

[42] Wallis, "How State and Local Officials Can Restore Discipline and Civility."

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